

JAN 20 2012

S.B. NO. 2276

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# A BILL FOR AN ACT

RELATING TO LOWER HAMAKUA DITCH.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1       SECTION 1. The legislature finds that the lower Hamakua  
2 ditch is a nearly century-old agricultural water system with the  
3 potential to provide irrigation water to farmers in the Hamakua  
4 area at a delivery capacity of about 40 million gallons per day.  
5 Based on reports showing an excess of unused water from the  
6 lower Hamakua ditch and the fact that water delivery fees  
7 received from lower Hamakua ditch users totaled approximately  
8 \$20,000 at a rate of 50 cents per 1,000 gallons, the legislature  
9 finds that reducing water delivery fees for lower Hamakua ditch  
10 water will encourage use of that water, thereby supporting  
11 agricultural production and economic growth in the Hamakua area.

12       The purpose of this Act is to encourage agriculture  
13 production and economic growth by setting a limit on the water  
14 delivery fee for lower Hamakua ditch.

15       SECTION 2. Section 167-6, Hawaii Revised Statutes, is  
16 amended by amending subsection (a) to read as follows:

17       "(a) The board of agriculture shall also have the power  
18 to:



- 1       (1) Establish and certify the total amount of acreage  
2           assessments to be levied annually and collect the  
3           assessments within each project;
- 4       (2) Set and from time to time revise tolls that it shall  
5           charge for the water provided by its facilities,  
6           subject to the rate policies established hereunder;  
7           provided that the toll for water provided by lower  
8           Hamakua ditch shall not exceed           cents per 1,000  
9           gallons;
- 10       (3) Establish priorities between the several lands  
11           included in a project according to the use to which  
12           the lands are put or other reasonable basis for  
13           classification;
- 14       (4) Govern the furnishing of water in the event of a  
15           shortage of supply and to correlate water tolls with  
16           these priorities;
- 17       (5) Charge and collect water tolls, fees, and other  
18           charges established in connection herewith;
- 19       (6) Sell, exchange, transfer, assign, or pledge any  
20           property, real or personal, or any interest therein,  
21           to any person, firm, corporation, or government,  
22           except as prohibited by the laws of the State;



- 1       (7)   Hold, clear, and improve property;
- 2       (8)   Borrow money for any of the purposes hereunder;
- 3       (9)   Insure or provide for the insurance of the property or
- 4               operations of the board against such risks as the
- 5               board may deem advisable;
- 6       (10)  Include in any construction contract executed in
- 7               connection with a project, stipulations requiring that
- 8               the contractor and any subcontractors comply with
- 9               requirements as to minimum wages and maximum hours of
- 10              labor, and comply with any conditions that the federal
- 11              government may have attached to its financial aid of
- 12              the project;
- 13       (11)  Delegate to the chairperson or employees of the
- 14               department, subject to the board's control and
- 15               responsibility, powers and duties as may be lawful or
- 16               proper for the performance of the functions vested in
- 17               the board;
- 18       (12)  Set, charge, and collect interest and a service charge
- 19               on delinquent payments due on water tolls, acreage
- 20               assessments, or other related accounts; provided that
- 21               the rate of interest shall not exceed one per cent per



1 month and the service charge shall not exceed \$7 for  
2 each delinquent payment;

3 (13) Collect delinquent acreage assessments in accordance  
4 with sections 231-61 to 231-70; provided that the  
5 chairperson shall have all of the powers provided to  
6 the director of taxation or state tax collector under  
7 chapter 231 that may be necessary or convenient to  
8 collect delinquent acreage assessments;

9 (14) Accept a security interest in real or personal  
10 property for a debt restructured under a payment plan  
11 for delinquent water tolls, acreage assessments, or  
12 other related irrigation project accounts subject to  
13 the rate of interest set forth in paragraph (12); and

14 (15) Foreclose upon or otherwise enforce the security  
15 interest accepted under paragraph (14) by any method  
16 provided for by law and to hold title to, maintain,  
17 use, manage, operate, sell, lease, or otherwise  
18 dispose of that personal or real property to recover  
19 the debt secured."

20 SECTION 3. New statutory material is underscored.

21 SECTION 4. This Act shall take effect on July 1, 2012;  
22 provided that on June 30, 2017, this Act shall be repealed and



1 section 167-6, Hawaii Revised Statutes, shall be reenacted in  
2 the form in which it read on the day prior to the effective date  
3 of this Act.  
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# S.B. NO. 2276

**Report Title:**

Lower Hamakua Ditch; Water Delivery Fee; Agriculture

**Description:**

Sets a limit on the water delivery fee for lower Hamakua ditch.  
Repeals 6/30/2017.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

